surplus investments in addition to the fixed deposit of Rs 20·36 lakhs in Bank invested in the current year. The surplus investments are therefore estimated to be reduced from Rs 251·03 lakhs at the beginning of the next year to Rs 230·67 lakhs at its close. The total booked assets inclusive of the outlay on productive schemes at the close of the next year are estimated to amount to Rs 1509 02 lakhs and our liabilities to Rs 393·40 lakhs. Our cash balance at the close of the ensuing year is expected to stand at Rs 49·13 lakhs which represents the minimum working balance required.

CONCLUSION.

63. I shall now conclude. I have, to the best of my knowledge and belief, presented a true and accurate picture of the financial operations of the State. Briefly stated, we hope to close the accounts of the next year with a surplus and without any additional taxation, and to finance all our heavy capital and industrial schemes to the end of the next year without any further loan.

The future is full of promise. The Pallivasal Hydro-Electric Scheme which will be one of our greatest revenue producing assets, may be expected to fructify fully in a few years and to yield a return of about Rs 8 to 10 lakhs annually. The campaign against smuggling in the Northen Frontiers which we have started this year, if persistently pursued, may bring in an annual increase of about Rs 5 to 10 lakhs. The survey of minor circuits which will be commenced in earnest shortly, will result in a substantial increase of annual revenue besides bringing in considerable capital receipts. We hope to get a substantial income from our Clay Refining Factory and the new Transport Service. We may hope for a distinct improvement in our trade and industries which would result in a substantial betterment in the condition of our people and in an increase of our income-tax, excise and customs revenue, and in our receipts from the Cochin Harbour. The prospect of Federation does not appear to be very distant, and when it comes, we may hope that it would bring some relief to our finances. Without entertaining extravagant anticipations, we may reasonably look forward to an era of prosperity. The financial condition of our State is absolutely stable and sound.

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